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Westport's throughput levels surge by 50pc in January

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WESTPORT in Port Klang has managed to increase throughput levels by some 50 per cent in January this year compared to the same month last year.

The port handled 152,312 container boxes in the first month of the year, up from 102,663 TEUs (20-foot equivalent units) handled in January 2001.

"Westport should be able to handle the targeted 1.8 million container boxes, if the current levels of throughput are maintained," a source close to the port told Business Times.

Last year, Westport handled 1.45 million container boxes, up from 1.03 million the year before. This year, the port is expected to increase throughput levels to 1.8 million TEUs, partly from the increased focus on transshipment cargo.

Last year, the port handled 650,000 TEUs in transshipment, up from 510,000 container boxes the previous year. This year, between 40 per cent and 50 per cent of Westport's container throughput is expected to come from transshipment.

The rise in transshipment traffic has been great from only 3,000 containers in 1996 to the present predictions of almost 900,000 TEUs. The entire capacity for Westport is in the region of 7 million TEUs.

Sources close to the port said by 2003, the port will have a capacity to handle some 5 million container boxes, after spending in the region of RM320 million to add another 2.4km of wharf length to the existing 2km length.

The total cost to enable Port Klang to handle the full capacity of 10 million TEUs will be in the region of RM2 billion, a source close to the port said recently.

The possibility of the Government assisting such projects is high after Prime Minister Datuk Seri Dr Mahathir Mohamad said the Government will assist local ports in their expansion plans in the hope of making the country a transshipment hub for the region. The current gloomy economic outlook also favours Malaysian ports as shipping lines attempt to cut corners and find ways to reduce operating costs.

Westport and sister port Northport charge among the cheapest rates in the world - only RM140 per TEU and RM210 per FEU (40-foot equivalent unit) for transshipment containers. Neighbours across the causeway charge almost 40 per cent more than Port Klang.

"The economic climate has worked in favour of Malaysian ports. The cost factor together with the efficiency levels have made the ports very competitive and more or less very attractive to shipping lines across the world," a port official said.

The growth at Westport, for example, has not been small, but the improvements have been by leaps and bounds - from only around 20,000 container boxes in 1996 to more than 1.45 million containers last year. "The growth is not just because of cheaper costs, but due to improved efficiency levels at the local ports," a shipping line official said.

Both Maersk Sealand of Denmark, the largest shipping line in the world, and Hutchison International Terminals of Hong Kong have stakes in Malaysian ports.

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